

October 28, 2003

TO: AllDrug Medi-Cal Providers

FROM: Jeremy D. Cortez, Director
Financial and Administrative Services

SUBJECT: **DRUG MEDI-CAL BILLING SYSTEM & HIPAA COMPLIANCE**

This is in follow up to previous instructions noted in our July 28, 2003 memo (Attachment 1) and to provide you with the latest news and instructions regarding Alcohol and Drug Program Administration's (ADPA) new Health Insurance Portability and Accountability Act (HIPAA) compliant Drug Medi-Cal billing system.

Training

Training on the new HIPAA billing system is currently being conducted at agency locations. An ADPA representative should have contacted your agency to schedule the training and to discuss the minimum computer system requirements. If you have not been contacted or have questions about the training, please call Fernando Frausto at (626) 299-4549.

New Codes

New HIPAA billing codes have been established to meet the HIPAA Transaction Code Sets and Standards. These consist of the procedure codes, duplicate payment override codes, and the delay reason codes (Attachment 2). The new codes are presented in a crosswalk format so that the old code can be traced to the new code. The proper use of the codes will be discussed during the training sessions. Additional questions regarding the use of the new HIPAA codes should be directed to Christina Ruiz at (626) 299-4175.

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Monthly Billing Deadline

Monthly billings must be submitted by the 10th of the following month. This is unchanged from current practice but will be more strictly enforced. This is because of the additional processing time needed for our office to transmit HIPAA compliant claims to the State. Consequently, we cannot guarantee that late billings will be accepted and reimbursed.

Deadline for New Billing System

For October services that are billed by November 10th, we will accept your billings in both the old and new formats. However, for November services that are billed by December 10th, and all months thereafter, we can only accept billings in the new HIPAA compliant format. Billings submitted in the old format will not be processed or reimbursed.

If you have any additional questions regarding this change, please contact Robert Lucero at (626) 299-4183.

JDC:rel

Attachment(s)

C: Patrick L. Ogawa
David Hoang
Richard Browne
Leo Busa



Director of Health Services and Chief Medical Officer

JONATHAN E. FIELDING, M.D., M.P.H.
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www.lapublichealth.org

July 28, 2003

TO: All Drug Medi-Cal Providers

FROM: David Hoang, Director
Information Systems

SUBJECT: DRUG MEDI-CAL BILLING SYSTEM IMPLEMENTATION

In order for Drug Medi-Cal (DMC) agencies and Alcohol and Drug Program Administration (ADPA) to comply with the Health Insurance Portability and Accountability Act (HIPAA) Transaction Code Sets and Standards, it will be necessary for DMC agencies to utilize the new DMC billing system to submit claims for services provided on or after October 16, 2003. This system is an enhancement to the current application with few data elements added and with a feature to transfer data directly to ADPA via Internet. With Notes Domino platform, the system will provide data encryption security on both database and port level during data transfer. To ensure proper system access, individual user name and password will be assigned to each user at the provider sites and also there are a minimum computer equipment and Internet access requirements:

- ? Pentium III or equivalent
- ? 128 MB Ram and 800 MB Free Hard Disk Space
- ? Windows XP/2000/98
- ? Printer
- ? Internet Access: the system supports either Dial-up Internet connection (with 56K V.90 modem), Digital Subscriber Line (DSL) or equivalent

Beginning in mid-August, 2003, ADPA staff will contact your agency sites for user access listing and provider setup and training of the new application.

If you have any questions or need additional information, please contact Richard Lugo at (626) 299-4547.

DH:rl

cc: Patrick L. Ogawa
Leo Busa

COUNTY OF LOS ANGELES
ALCOHOL AND DRUG PROGRAM ADMINISTRATION
DRUG MEDI-CAL SYSTEM CODES
As of October 2003

Old SD/MC Claim Service Codes				New HIPAA Procedure Codes	
Program Code	Mode of Service	Service Function Code	Service Description	Place of Service Code	Procedure Code
PERINATAL					
25	17	20,21	NTP-Methadone	57	H0020 HD HG
		22	NTP-Methadone/P36	57	H0020 HD HG H9
25	17	26	NTP-Individual Counseling	57	H0004 HD HG
		27	NTP-Individual Counseling/P36	57	H0004 HD HG H9
25	17	28	NTP-Group Counseling	57	H0005 HD HG
		29	NTP-Group Counseling/P36	57	H0005 HD HG H9
25	17	30-38	Day Care Rehabilitative	57	H0015 HD HA
		39	Day Care Rehabilitative/P36	57	H0015 HD HA H9
25		40-48	Perinatal Residential-Long Term	55	H0019 HD HF
		49	Perinatal Residential-Long Term/P36	55	H0019 HD HF H9
25	17	80-83	ODF-Individual Counseling	57	H0004 HD HF
		84	ODF-Individual Counseling/P36	57	H0004 HD HF H9
25	17	85-88	ODF-Group Counseling	57	H0005 HD
		89	ODF-Group Counseling/P36	57	H0005 HD H9
NON-PERINATAL					
20	17	20,21	NTP-Methadone	57	H0020 HG
		22	NTP-Methadone/P36	57	H0020 HG H9
20	17	23,24	NTP-LAAM	57	H0047 HG
		25	NTP-LAAM/P36	57	H0047 HG H9
20	17	26	NTP-Individual Counseling	57	H0004 HG
		27	NTP-Individual Counseling/P36	57	H0004 HG H9
20	17	28	NTP-Group Counseling	57	H0005 HG
		29	NTP-Group Counseling/P36	57	H0005 HG H9
20	17	30-38	Day Care Rehabilitative	57	H0015 HA
		39	Day Care Rehabilitative/P36	57	H0015 HA H9
20	17	50-58	Naltrexone	57	H0047 HG
		59	Naltrexone/P36	57	H0047 HG H9
20	17	80-83	ODF-Individual Counseling	57	H0004 HF
		84	ODF-Individual Counseling/P36	57	H0004 HF H9
20	17	85-88	ODF-Group Counseling	57	H0005
		89	ODF-Group Counseling/P36	57	H0005 H9

COUNTY OF LOS ANGELES
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Duplicate Payment Override Codes					
Old Coding		SD/MC Code Description	New Coding		Modifier Description
SD/MC Code	Override Indicator		Procedure Modifier	Override Indicator	
1	Y	Client could not receive all necessary services at one time.	59	Y	Distinct procedural service
2	Y	Crisis visit.	76, 77	Y	76 - Repeat procedure by same person 77 - Repeat procedure by different person
3	Y	Collatral services.	76, 77	Y	76 - Repeat procedure by same person 77 - Repeat procedure by different person
	Blank	Do not override duplicate billing edit		Blank	Do not override duplicate billing edit

Delay Reason Codes			
Old SD/MC Late Billing Override Codes	Description	New HIPAA Delay Reason Codes	HIPAA Descriptions
A	Patient or legal representative's failure to present Medi-Cal identification.	1	Proof of eligibility unknown or unavailable
B	Billing involving other coverage including, but not limited to Medicare, Ross-Loss, or CHAPMUS.	7	Third party processing delay
C	Circumstances beyond the control of the local program/provider regarding delay or error in the certification of Medi-Cal eligibility of the beneficiary by the state or county.	8	Delay in eligibility determination
D	Circumstances beyond the control of the local program/provider regarding delays caused by natural disaster, willful acts by an employee, delays in provider certification, or other circumstances that have been reported to the appropriate law enforcement or fire agency, when applicable.	4, 11	4, Delay in certifying provider 11, Other
E	Special circumstances that cause a billing delay such as a court decision or fair hearing decision.	10	Administrative delay in prior approval process
F	Initiation of legal proceedings to obtain payment of a liable third party pursuant to Section 14115 of the Welfare and Institutions Code (WIC)	2	Litigation
Blank	Do not override late billing		